

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re:  ALTA MESA RESOURCES, INC., <i>et al.</i> ,  Debtors. <sup>1</sup>	§ § § § § § §	Chapter 11  Case No. 19-35133 (MI)  (Jointly Administered)
---	---------------------------------	--

**NOTICE OF PROPOSED SALE, BIDDING PROCEDURES, AUCTION,  
AND SALE HEARING**

PLEASE TAKE NOTICE that, on September 11, 2019, the debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) filed voluntary petitions commencing these cases under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the “Bankruptcy Code”).

PLEASE TAKE FURTHER NOTICE that, on September 16, 2019, the Debtors filed a motion (the “Motion”)<sup>2</sup> with the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”) seeking, among other things, entry of an order (the “Bidding Procedures Order”): (i) approving proposed bidding procedures (the “Bidding Procedures”) by which the Debtors will solicit and select the highest or otherwise best offer for the sale of substantially all or a portion of their assets (the “Debtor Assets” and together with the Non-Debtor Assets, the “Assets”) through one or more sales of the Debtor Assets and/or a combined sale of both the Debtor Assets and the Non-Debtor Assets (each, a “Transaction”); (ii) establishing procedures for the assumption and assignment of executory contracts and unexpired leases, including notice of proposed cure amounts (the “Assumption and Assignment Procedures”); (iii) approving the procedures governing Debtors’ and/or the Non-Debtors’ selection of one or more stalking horse bidder (each, a “Stalking Horse Bidder”), if any, and the provision of Bid Protections to such Stalking Horse Bidder(s), if necessary; (iv) scheduling (a) a date for an auction if the Debtors receive one or more timely and acceptable Qualified Bids (the “Auction”) and (b) a final hearing (the “Sale Hearing”) to approve one or more Transactions, as necessary; and (v) granting related relief.

PLEASE TAKE FURTHER NOTICE that, on October 11, 2019, the Bankruptcy Court entered the Bidding Procedures Order [Docket No. 317]. Amended versions of the Bidding

---

<sup>1</sup> The Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers are as follows: The Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers are as follows: Alta Mesa Resources, Inc. (3840); Alta Mesa Holdings, LP (5150); Alta Mesa Holdings GP, LLC (0642); OEM GP, LLC (0958); Alta Mesa Finance Services Corp. (5673); Alta Mesa Services, LP (7295); and Oklahoma Energy Acquisitions, LP (3762). The location of the Debtors’ corporate headquarters and service address is 15021 Katy Freeway, 4th Floor, Houston, Texas 77094.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

Procedures Order were entered on December 10, 2019 and December 19, 2019, at Docket Nos. 636 and 666, respectively. As used herein, "Bidding Procedures Order" refers to the amended Bidding Procedures Order dated December 19, 2019, at Docket No. 666.

**PLEASE TAKE FURTHER NOTICE that any party that wishes to take part in the sale process contemplated by the Bidding Procedures Order and submit a Bid for the Debtor Assets must submit its Bid in accordance with the terms and conditions of the Bidding Procedures, including the requirements for submitting a Qualified Bid, by January 8, 2020 (the "Bid Deadline"), except as otherwise provided in the Bidding Procedures with respect to the AMH Agent and RBL Lenders.**

PLEASE TAKE FURTHER NOTICE that, for the avoidance of doubt, the Debtors' non-Debtor affiliate Kingfisher Midstream, LLC and its subsidiaries (collectively, "Kingfisher") are marketing the Non-Debtor Assets alongside the Debtor Assets as part of the bidding process established pursuant to the Bidding Procedures Order. Parties may submit, and the Debtors and Kingfisher will consider, combined bids for all Assets, as well as standalone bids for either the Debtor Assets or Non-Debtor Assets.

PLEASE TAKE FURTHER NOTICE that pursuant to the Bidding Procedures Order, if the Debtors and, if applicable, Kingfisher receive two or more timely and acceptable Qualified Bids for the same Debtor Assets and, if applicable, the Non-Debtor Assets, the Debtors and Kingfisher will conduct the Auction on **January 15, 2020 at 9:00 a.m. (prevailing Central Time)** at the offices of counsel for the Debtors, Latham & Watkins LLP, 811 Main Street, Suite 3700, Houston, TX 77002, or at such other place and time as the Debtors shall notify all Qualified Bidders, the Consultation Parties, and all other parties entitled to attend the Auction. Only the Debtors, Kingfisher, the Consultation Parties, the Stalking Horse Bidder(s) (if any), any other Qualified Bidder and/or other party as the Debtors may determine to include in their discretion, in each case, along with their representatives and advisors, shall be entitled to attend the Auction (such attendance to be in person), and only Qualified Bidders will be entitled to make Overbids at the Auction. **All interested or potentially affected parties should carefully read the Bidding Procedures and the Bidding Procedures Order.**

PLEASE TAKE FURTHER NOTICE that the Debtors have the right to adjourn or cancel the Auction at or prior to the Auction.

PLEASE TAKE FURTHER NOTICE that pursuant to the Bidding Procedures Order, the Debtors are authorized to enter into one or more agreements (each, a "Stalking Horse Agreement") with one or more Stalking Horse Bidders regarding a Transaction. In the event that the Debtors select one or more parties to serve as a Stalking Horse Bidder, upon such selection, the Debtors shall provide, to all parties on the Rule 2002 List, counsel to the Ad Hoc Noteholder Group, counsel to the AMH Agent, counsel to the Committee, and all parties then known to have expressed an interest in the Debtor Assets as part of the marketing process established by the Bidding Procedures, and all parties holding liens on such Debtor Assets, five (5) business days' notice of and an opportunity to object to the designation of such Stalking Horse Bidder and disclosure of the Bid Protections set forth in the Stalking Horse Agreement, and absent objection, the Debtors selection of such Stalking Horse Bidder shall be deemed designated without further order of the Bankruptcy Court.

**PLEASE TAKE FURTHER NOTICE** that the Sale Hearing to consider approval of a Transaction(s) and the transfer of the Assets and, if applicable, the Non-Debtor Assets free and clear of all liens, claims, interests, and encumbrances in accordance with Bankruptcy Code section 363(f), will be held before the Honorable Marvin Isgur, United States Bankruptcy Judge for the Southern District of Texas, at the Bankruptcy Court, 515 Rusk Street, Courtroom 400, Houston, Texas 77002 on January 21, 2020 at 2:00 p.m. (prevailing Central Time). The Sale Hearing may be adjourned from time to time without further notice to creditors or other parties in interest other than by announcement of the adjournment in open court or by notice filed on the docket in these chapter 11 cases.

PLEASE TAKE FURTHER NOTICE that any objections to the Transaction(s), other than any Rights Objections (as defined below), must be filed and served so as to be actually received by the Objection Recipients no later than **January 3, 2020** (each a "Sale Objection"). The Objection Recipients are: (i) the Debtors, Alta Mesa Resources, Inc., 15021 Katy Freeway, Suite 400, Houston, TX 77094, Attn: Robert Albergotti and Kim Warnica; (ii) counsel to the Debtors, (a) Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: George A. Davis, Annemarie Reilly, and Brett M. Neve, and Latham & Watkins LLP, 330 North Wabash Avenue, Suite 2800, Chicago, Illinois 60611, Attn: Caroline Reckler; (b) Porter Hedges LLP, 1000 Main Street, 36th Floor, Houston, Texas 77002, Attn: John F. Higgins; (iii) counsel to the AMH Agent, Bracewell LLP, 711 Louisiana Street, Suite 2300, Houston, Texas 77002, Attn: William A. Wood III; (iv) counsel to the KFM Agent, Vinson & Elkins LLP, Trammell Crow Center, 2001 Ross Avenue, Suite 3900, Dallas, TX 75201, Attn: Michael E. Bielby, Jr.; (v) counsel to the Ad Hoc Noteholder Group, Davis Polk & Wardell LLP, 450 Lexington Avenue, New York, NY 10017, Attn: Damian S. Schaible; (vi) counsel to the Official Committee of Unsecured Creditors, Brown Rudnick LLP, 7 Times Square, New York, NY 10036 (Attn: Robert Stark and Andrew Carty); (vii) counsel to Kingfisher, Quinn Emanuel Urquhart & Sullivan LLP, 51 Madison Avenue, 22nd Floor, New York, NY 10010, Attn: Susheel Kirpalani; and (viii) the U.S. Trustee, 515 Rusk Street, Suite 3516, Houston, TX 77002, Attn: Stephen Statham (collectively, the "Objection Recipients").

### **CONSEQUENCES OF FAILING TO TIMELY ASSERT A SALE OBJECTION**

**ANY PARTY OR ENTITY WHO FAILS TO TIMELY FILE AND SERVE A SALE OBJECTION ON OR BEFORE THE SALE OBJECTION DEADLINE IN ACCORDANCE WITH THE ENTERED BIDDING PROCEDURES ORDER MAY BE FOREVER BARRED FROM ASSERTING ANY SALE OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE TRANSFERRED ASSETS OF THE DEBTOR ESTATES FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS EFFECTED THEREUNDER.**

### **NOTICE TO HOLDERS OF CONSENT RIGHTS, PREFERENTIAL PURCHASE RIGHTS, AND SIMILAR RIGHTS OF DEADLINE TO OBJECT**

**PLEASE TAKE FURTHER NOTICE THAT** if any person asserts that any Asset constituting real property, including any oil and gas leases, cannot be transferred, sold, assumed and/or assigned free and clear of all liens, claims, interests, and encumbrances on account of the alleged termination of the Debtors' rights in such Real Property Asset or one or more alleged approval rights, consent rights, preferential purchase rights, rights of

**purchase, rights of first refusal, rights of first offer, tag-along rights, or similar rights, then such person shall file with the Bankruptcy Court and serve on the Objection Recipients, no later than 5:00 p.m. (Central Time) on January 13, 2020 (the “Rights Objection Deadline”), an objection identifying (a) the Assets (including any oil and gas leases) subject to such rights, (b) the applicable agreement, document or statute giving rise to such rights, and (c) the portion of the agreement, document or statute giving rise to such right, and including all supporting documentation (a “Rights Objection”). The assertion of a Rights Objection shall not require an exercise of the underlying rights asserted.**

**PLEASE TAKE FURTHER NOTICE THAT any person failing to timely file and serve a Rights Objection may be (i) forever barred from objecting to the transfer, sale, assumption, and/or assignment of the Debtors’ right, title and interest in, to and under the Assets to be sold, assumed and/or assigned in connection with the Transactions, including, without limitation, based on any alleged termination, approval rights, consent rights, preferential purchase rights, rights of purchase, rights of first refusal, rights of first offer, tag-along rights, or similar rights with respect to the Debtors’ transfer, sale, assumption and/or assignment of the Debtors’ right, title and interest in, to and under such Asset in connection with the Transaction, and (ii) deemed to consent to and approve the transfer, sale, assumption, and/or assignment of such right, title and interest in, to and under such Asset, free and clear of all liens, encumbrances, claims and other interests (regardless of whether such consent must be in writing).**

**PLEASE TAKE FURTHER NOTICE THAT if any person files and serves a Rights Objection in accordance herewith, the Debtors and other parties in interest shall have the opportunity to object to any alleged approval rights, consent rights, preferential purchase rights, rights of purchase, rights of first refusal, rights of first offer, tag-along rights, or similar rights asserted by such person in the Rights Objection by filing a response to the Rights Objection (and serving such response on the person that filed the Rights Objection) at any time prior to the Sale Hearing. Upon the filing of such response to such Rights Objection, any rights asserted shall be deemed to be disputed and the Debtors shall be entitled to assert that a bona fide dispute exists as to such rights asserted. Nothing herein shall be deemed a waiver of any rights of the Debtors to contest any rights asserted by any Person in Rights Objections, and all such rights of the Debtors are expressly preserved.**

**PLEASE TAKE FURTHER NOTICE that this Notice is subject to the terms and conditions of the Motion and the Bidding Procedures Order, with such Bidding Procedures Order controlling in the event of any conflict, and the Debtors encourage parties in interest to review such documents in their entirety. Parties interested in receiving more information regarding the sale of the Assets and/or copies of any related document, including the Motion or the Bidding Procedures Order, may make a written request to: counsel to the Debtors, Latham & Watkins LLP, Attn: Caroline Reckler, Andrew Sorkin, Annemarie Reilly, and Brett M. Neve (caroline.reckler@lw.com, andrew.sorkin@lw.com, annemarie.reilly@lw.com, brett.neve@lw.com). In addition, copies of the Motion, the Bidding Procedures Order, and this Notice may be examined by interested parties free of charge at the website established for these chapter 11 cases by the Debtors’ Court-approved claims agent, Prime Clerk LLC, at <https://cases.primeclerk.com/altamesa>.**

Dated: December 23, 2019  
Houston, Texas

/s/ John F. Higgins

John F. Higgins (TX 09597500)  
Eric M. English (TX 24062714)  
Aaron J. Power (TX 24058058)  
M. Shane Johnson (TX 24083263)  
**PORTER HEDGES LLP**  
1000 Main Street, 36<sup>th</sup> Floor  
Houston, Texas 77002  
Telephone: (713) 226-6000  
Fax: (713) 226-6248  
Email: jhiggins@porterhedges.com  
eenglish@porterhedges.com  
apower@porterhedges.com  
sjohnson@porterhedges.com

*Counsel for the Debtors and Debtors in Possession*

George A. Davis (admitted *pro hac vice*)  
Annemarie V. Reilly (admitted *pro hac vice*)  
Brett M. Neve (admitted *pro hac vice*)  
**LATHAM & WATKINS LLP**  
885 Third Avenue  
New York, NY 10022  
Telephone: (212) 906-1200  
Facsimile: (212) 751-4864  
Email: george.davis@lw.com  
annemarie.reilly@lw.com  
brett.neve@lw.com

– and –

Caroline Reckler (admitted *pro hac vice*)  
**LATHAM & WATKINS LLP**  
330 North Wabash Avenue, Suite 2800  
Chicago, IL 60611  
Telephone: (312) 876-7700  
Facsimile: (312) 993-9667  
Email: caroline.reckler@lw.com

– and –

Andrew Sorkin (admitted *pro hac vice*)  
**LATHAM & WATKINS LLP**  
555 Eleventh Street, Suite 1000  
Washington, D.C. 20004  
Telephone: (202) 637-2200  
Facsimile: (202) 637-2201  
Email: andrew.sorkin@lw.com

*Counsel for the Debtors and Debtors in Possession*